DOCUMENT RESUME

ED 326 632 CE 056 360

TITLE Measuring Up. Planning and Managing with Performance Standards PY 90.
INSTITUTION National Alliance of Business, Inc., Washington, D.C.
SPONS AGENCY Department of Labor, Washington, D.C.
PUB DATE 90
NOTE 67p.
AVAILABLE FROM NAB Clearinghouse, 1201 New York Avenue, NW, Washington, DC 20005.
PUB TYPE Guides - Non-Classroom Use (055)

EDRS PRICE MF01 Plus Postage. PC Not Available from EDRS.
DESCRIPTORS Adult Basic Education; *Community Programs; Compliance (Legal); *Employment Programs; Federal Legislation; *Federal Programs; High School Equivalency Programs; *Job Training; Postsecondary Education; Program Administration; Program Effectiveness; *Program Evaluation; Program Implementation; Program Improvement; *Standards
IDENTIFIERS *Job Training Partnership Act 1982

ABSTRACT

This guide was developed to provide local policymakers and program managers with an approach for using performance standards as a tool for reviewing and improving performance of Job Training Partnership Act (JTPA) programs at the local level. The guide is keyed to the Program Year (PY) 1990 U.S. Department of Labor adjustment methodology for activities beginning July 1, 1990. The guide is organized in four sections. Section I, an overview of performance standards, discusses the evolution of the standards and the rationale supporting them. Section II details a systematic approach to obtaining comprehensive baseline data on local performance, an analysis of the performance of specific activities and contractors within the Service Delivery Area, and an analysis of performance trends. Section III describes three approaches for improving performance: (1) the oversight response, which identifies probable causes of poor performance; (2) the planning response, which provides tools to examine new strategies and approaches that will improve performance; and (3) the follow-up response, which reviews strategies related to the new postprogram measures. Section IV summarizes the key issues related to planning and managing with performance standards. Sixteen worksheets for report summaries or charts are included in the guide. (KC)

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Acknowledgments

This guide was written by Kenneth Ryan and Ronnie Kauder of the Employment & Training Institute, Inc., Ringwood, New Jersey, with assistance from Steven Golightly and Brenda Bell of the National Alliance of Business. The authors would like to thank Steve Aaronson and staff in the Adult & Youth Performance Standards Unit, U.S. Department of Labor/ETA, who provided helpful comments for revision.

A special thanks is extended to Pat Vine and Joan Hoadley for their creative and diligent document production.

Introduction

The Job Training Partnership Act is designed to be a performance-driven program. This means that the desired performance is stated in advance, clearly defining the goals of the program. The performance standards system is one of the tools used to assure that job training programs are a productive investment in human capital.

Since 1983, the U.S. Department of Labor has established national performance measures and set national numerical performance standards to help assure that the goals of the Job Training Partnership Act are achieved. The U.S. Department of Labor has also designed a national adjustment methodology, sometimes called the "regression model," for adjusting the national standards based on local conditions. Each state must set standards for service delivery areas within that state using the Secretary's National standards, USDOL's adjustment methodology or its own adjustment methodology established within parameters set by the Secretary of Labor. States must also determine, on an annual basis, whether these performance standards have been met. They may also include State standards in their incentive policies, but the major portion of the incentive funds must be used for rewarding performance for the Secretary's measures. States must base their incentive award policies on achievement of these standards. Where standards have not been met by service delivery areas, States must provide technical assistance and may impose sanctions. Sanctions are actually required if an SDA fails to meet all performance standards for two consecutive years. Service delivery areas must formulate policies and operate programs that will meet or exceed the state-established performance standards, but they are encouraged to seek further adjustments if local conditions warrant.

Clearly, the most challenging aspects of implementing the PY 90 performance standards system fall to professionals at the local level. It is there that policies are made and programs are shaped. The purpose of this guide is to provide local policy makers and program managers with an approach for using performance standards as a tool for reviewing and improving performance at the local level. The guide is keyed to the PY 90 DOL adjustment methodology for activities beginning July 1, 1990.

Section I: Overview of Performance Standards — This section discusses the evolution of and rationale supporting performance standards.

Section II: Identification of Local Performance — This section details a systematic approach to obtaining comprehensive baseline data on local performance, an analysis of the performance of specific activities and contractors within the SDA, and an analysis of performance trends.

Section III: Strategies for Improving Performance — This section describes three approaches for improving performance: first, the Oversight Response, which identifies probable causes of poor performance; second, the Planning Response, which provides tools to examine new strategies and approaches which will improve performance; and lastly, the follow-up response which reviews strategies related to the new postprogram measures.

Section IV: Conclusion — This section summarizes the key issues related to planning and managing with performance standards.

Readers are cautioned not to rely solely on performance standards to plan, manage, and evaluate JTPA; the performance standards system is one aspect of measuring the effectiveness of JTPA. The mission established by the private industry council (PIC) and local elected officials may make other goals as significant as achieving the performance standards. For example, the use of JTPA in effecting institutional change at the local level or the use of JTPA in promoting job creation and economic development activities could be as important as local performance measures and must be considered in the self-evaluation process.

Many of the reports and worksheets presented in the guide require routine, yet time-consuming computations using local participant data. A software option is available for microcomputer users that speeds up the analysis. This program operates on MS DOS 2.0 and higher and requires an IBM PC, XT, AT or true compatible with a minimum of 256K. The cost of the software is $199.00 with future year updates priced at $50.00. For more information on the software, contact the Employment & Training Institute at 1-800-932-0085.

The software option includes the following reports and worksheets which are referenced in this guide:

Title	Worksheet Number
Performance Status Report	1
PY 90 Performance Standards Worksheet — Adult	13
PY 90 Performance Standards Worksheet — Welfare	14
PY 90 Performance Standards Worksheet — Youth	15
PY 90 Performance Standards Worksheet — Dislocated	16

Section I: Overview of Performance Standards

Throughout the 25 year evolution of Federal job training programs, government officials, local policy makers and job training practitioners have agreed on the need to assess program performance. But two difficult issues have always had to be addressed: what are the best measures of effectiveness and what is an equitable method for assessing performance?

Measures of Effectiveness

For a long time, the accepted wisdom in the employment and training field was that the important measures of effectiveness concerned whether an adult obtained a job upon leaving the program, and what the cost of this job placement was. For youth, it has always been felt that acceptable results included placement into a job as well as other "positive" results, such as a return to school or continued schooling. The system has traditionally measured the cost of these positive results for youth as well. Measures such as these were in use for many years, and served a useful purpose. They focused the employment and training system on the need to improve employability and get people jobs and to do so in a responsible fiscal manner.

In Program Year 1986 (July 1, 1986), the U.S. Department of Labor began to require the collection of data on what happened to adult participants after they left the program. Two years later, USDOL announced its intention to measure performance based on post-program data. Beginning with Program Year 1990 (July 1, 1990), the measures of effectiveness for adults will concern only what happened to them after they left the program. For youth, placements and other positive results are still considered the important indicators, but these have been carefully defined.

Cost standards have been eliminated completely in order to move the JTPA system toward providing more intensive services to harder-to-serve individuals and in order to encourage more coordination with related programs.

This direction in performance measures reflects the U.S. Department of Labor's national goals of long-term employability and economic self-sufficiency for the individuals enrolled in the Job Training Partnership Act.

Methods for Assessing Performance

An equitable method for assessing performance of local programs all across the country is a complex issue. Each community has a unique set of circumstances which directly affects its ability to achieve positive results for individuals in that community. A program in an urban setting with a high unemployment rate serving a high percentage of "hard-to-serve" individuals may be performing well if 50 percent of its adult trainees get and keep jobs. A similar program in a suburban

setting with a low unemployment rate serving a low percentage of "hard-to-serve" individuals may be performing poorly if only 50 percent of its adult trainees get and keep jobs. Ten years ago, the expected performance of each program was determined by negotiations between local program operators and representatives of the U.S. Department of Labor. But there was no precision to this negotiation process; there was little data to support the various different performance goals which were negotiated.

Then, 8 years ago, the U.S. Department of Labor introduced a new performance standards methodology for JTPA. It is a regression-based statistical model which adjusts for factors found to have a significant effect on performance. The model has evolved over the years and now includes 29 variables which were found to have a significant impact on performance. Each variable is weighted according to its average impact on performance. For example, it was found that serving more dropouts resulted in fewer placements. The influence of this factor was determined mathematically and a corresponding weight was assigned. The current methodology is an extension of this simple example. Thus, the performance standards system includes an "adjustment methodology" for determining the actual local standard which reflects such factors as who is served and local economic conditions. For example, an SDA with a low unemployment rate serving a low percentage of difficult-to-place trainees will have relatively high standards of performance. In contrast, an SDA with a high unemployment rate serving a high percentage of difficult-to-place trainees will have relatively low standards of performance. If the model works as intended, the latter SDA would not be penalized because of difficult local conditions; its standards would be adjusted downward.

The specific performance standards and the variables used have changed over the 8 years, but the methodology — a national system for judging performance that allows adjustment for local factors — has remained constant. Many critical issues have been addressed in the establishment of this methodology. Many of these issues include technical items, such as statistical modeling, selection of databases from JTPA, and tolerance level adjustments. Three of the most significant policy issues addressed deal with the selection of the performance measures, the establishment of national standards, and the identification of the local adjustment factors. A description of each of these issues follows.

Core Performance Measures

The Department of Labor has identified six core performance measures for Program Years 1990 and 1991 (July 1, 1990 — June 30, 1992) for use under Title IIA. Four of the six measures are for postprogram employment and earnings for adults and adult welfare recipients. The remaining two measures focus on youth and measure employment

and employability development. Separate measures were established for the youth and adult populations based on the differing needs and historical results for each population. Separate measures for adult welfare recipients reflect the long-run goal of reduced welfare dependency. In addition, an entered employment rate measure will apply to State activities and substate area activities under the JTPA Title III Dislocated Worker Program. Brief definitions of the seven measures are given below.

Adult Measures

- Adult Follow-up Employment Rate—the number of adult respondents who were employed (full-time or part-time) during the 13th full calendar week after termination as a percentage of the total number of all respondents (terminees who completed follow-up interviews).
- Adult Average Weekly Earnings at Follow-up—total gross weekly earnings for all adult respondents who were employed during the 13th full calendar week after termination, divided by the total number of adult respondents employed at the time of follow-up.

Welfare Measures

- Welfare Follow-up Employment Rate—the number of adult welfare respondents who were employed (full-time or part-time) during the 13th full calendar week after termination as a percentage of the total number of adult welfare respondents (terminees who completed follow-up interviews).
- Welfare Weekly Earnings at Follow-up—total gross weekly earnings for all adult welfare respondents who were employed during the 13th full calendar week after termination, divided by the total number of adult welfare respondents employed at the time of follow-up.

Youth Measures ***(See Note)***

- Youth Entered Employment Rate—the number of youth who entered employment at termination divided by the total number of youth who terminated, excluding both those potential dropouts who are reported as having remained in school and dropouts who are reported as having returned to school.
- Youth Employability Enhancement Rate—the number of youth who attained one of the employability enhancements at termination, whether or not they also obtained a job, divided by the total number of youth who terminated. Youth Employability Enhancements include:

  a) Attained two or more PIC-recognized youth employment competencies
  b) Completed major level of education following participation of at least 90 calendar days or 200 hours in a JTPA activity
  c) Entered and retained for at least 90 calendar days or 200 hours in non-Title II training or received a certification of occupational skill attainment

d) Returned to and retained in full-time school for one semester or at least 120 calendar days (dropouts only), attained a basic or job-specific skill, and made satisfactory progress
e) Remained in school for one semester or at least 120 calendar days (youth at risk of dropping out of school), attained a basic or job specific skill, and made satisfactory progress.

NOTE: Youth terminees who remain in/return to school and enter employment will be reported on the JTPA Annual Status Report as "Also Attained Any Adult/Youth Employability Enhancement." Such terminees will not be excluded from the termination pool reflected in the denominator in the calculation of the Youth Entered Employment Rate.
For 14-15 year olds, the acceptable competencies will be basic skills or pre-employment/work maturity.

Dislocated Worker (Title III)

- Entered Employment Rate—the number of individuals who entered employment at termination, excluding those who were recalled or retained by their original employers after receipt of a layoff notice, divided by the total number of individuals who terminated, excluding those who were recalled or retained by their original employers after having received a layoff notice.

Additional Performance Measures

The Department will continue to support regression modeling for seven prior measures which the Governor may use as individual state policies dictate. The two cost measures may not be used for incentive purposes. They are:

- Adult Cost per Entered Employment
- Youth Cost per Positive Termination

For Title III, there is a regression model for an optional goal:

- Average Wage at Placement

Performance Standards

The Secretary of Labor has established national numerical performance standards for each of the six core Title IIA performance measures based on an analysis of prior accomplishments. The standards are generally set at a level that approximately 75% of the SDAs are expected to exceed. Earnings, however, have been adjusted to reflect increased minimum wage rates. Because program data for Title III is not yet available, the numerical standard is unchanged from the previous year. The national performance standards for Program Year 1990 (July 1, 1990-June 30, 1991) are as follows:

Adult Standards	**Adult Follow-up Employment Rate**	**62%**
	Adult Weekly Earnings at Follow-up	**$204**
Welfare Standards	**Welfare Follow-up Employment Rate**	**51%**
	Welfare Weekly Earnings at Follow-up	**$182**
Youth Standards	**Youth Entered Employment Rate**	**45%**
	Youth Employability Enhancement Rate	**33%**
Dislocated Worker (Title III)	**Entered Employment Rate**	**64%**

Local Adjustment Factors

The national standards may be adjusted based on local conditions. The factors that are considered in this adjustment fall into two categories: the characteristics of participants who terminate from the program and local economic conditions.

Characteristics of Terminees

The following characteristics were found to affect performance. They are used in the adjustment model for the core standards or optional goals:

1. Female
2. Age 14-15
3. Age 29 and under
4. Age 30-54
5. Age 55+
6. Student
7. Dropout
8. Less than High School
9. Post High School Attendee
10. Reading below 7th grade level
11. Black
12. Other minorities
13. All minorities
14. Offender
15. Unemployed 15+ weeks
16. Not in labor force
17. Handicapped
18. Unemployment compensation claimant
19. AFDC recipient
20. Long-term AFDC recipient
21. GA/RCA recipient
22. Previous wage

Economic/Local Factors

Seven additional factors which reflect characteristics of the local area are included in the model. They are:

23. Unemployment rate
24. Percent of families below the poverty level
25. Annual earnings in retial/wholesale trade
26. Population density
27. Employee/resident worker ratio
28. Three year growth rate in real annual earnings in retail/ wholesale trade
29. Employment in manufacturing, mining and agriculture

Not every factor is used to establish every standard. For example, the percentage of 14 and 15 year olds is used only for the youth measures; and the percent who are ages 30 to 54 is used only for the adult standards.

The state may establish an SDA's performance standards using the Secretary's National standards adjustment methodology or its own adjustment methodology established within the parameters set by USDOL. Adjustment methodology takes into consideration local SDA conditions and calculates a numerical performance level for each of the measures. SDAs must plan and operate programs to meet the established standards or seek adjustments to the state-established standards when local conditions warrant.

The remainder of this guide provides an approach and some tools that will enable SDA/PIC staff to use the performance standards as a "point of departure" for improving planning, management, and follow-up practices.

Section II: Identification of Local Performance

In order to begin a serious examination of performance, an SDA must have accurate, complete program information available on a continuous basis. A sound management information system is essential. Without these resources, a manager does not have the ability to determine the status of current activities and cannot begin the process of improving performance. This first level of review, which includes calculating current performance, baseline program review, and trend and comparison analysis, allows the SDA to conduct a comprehensive analysis of overall performance.

Calculating Current Performance

Calculating your current performance enables you to take a snapshot of local SDA performance and compare it to the six core JTPA Title IIA performance standards, and the Dislocated Worker standard, either as approved in your Job Training Plan or as adjusted based on actual experience. This concept is a bit tricky. Because the performance standards for a local area are adjusted based on the characteristics of terminees and characteristics of the local area, the standards will change depending on who is terminated and on local economic factors, such as the unemployment rate. The performance standards contained in an SDA's Job Training Plan will be based on planned service to the various target groups and economic factors as they are anticipated at the time the plan is done. It is most accurate to analyze your performance based on performance standards that have been adjusted for actual performance.

Worksheet 1, Performance Status Report, will provide a report on current actual performance standards. Under the "Actuals" section of the report, the adjusted Follow-up Employment Rate and Follow-Up Weekly Earnings refer to follow-up results after making adjustments for nonresponse bias. For SDAs that wish to include the adjusted standards, Worksheets 13, 14, 15 and 16 provide the methodology to generate adjusted standards. The Performance Status Report indicates how close you are to meeting your standards. The required information may be available through existing systems either within your SDA or from the state.

For Worksheet 1, the following information is required.

1. Number of adults terminated
2. Number of adults entered employment
3. Average wage at placement for adults
4. Total expenditures for adults
5. Adjusted follow-up employment rate for adults
6. Adjusted follow-up weekly earnings for adults
7. Postprogram response rate for adults
8. Number of adult welfare recipients terminated

9. Number of adult welfare recipients entered employment
10. Average wage at placement for adult welfare recipients
11. Adjusted follow-up employment rate for adult welfare recipients
12. Adjusted follow-up weekly earnings for adult welfare recipients
13. Postprogram response rate for adult welfare recipients
14. Number of dislocated workers terminated
15. Number of dislocated workers entered employment
16. Average wage at placement for dislocated workers
17. Total expenditures for dislocated workers
18. Number of youth terminated
19. Number of youth entered employment
20. Number of youth who returned to or remained in school
21. Number of youth employability enhancements
22. Number of youth positive terminations
23. Total expenditures for youth
24. Planned performance standards as contained in the Job Training Plan or adjusted standards as calculated on Worksheets 13, 14, 15, and 16.

If information on any category is not available, it is not possible to identify your current level of performance in relation to the performance standards. Adjustments to your Management Information System may be required. Worksheet 1 also contains three performance indicators, the entered employment rate for adults and adult welfare recipients, the cost per entered employment for adults and dislocated workers, and the cost per positive termination of youth. Worksheet 1, with these indicators and the performance standards, is designed to provide an ongoing analysis capability, allowing SDAs to increase the frequency of performance analysis beyond that currently provided by most state and local standardized reports.

WORKSHEET 1

Report Period: _____

Performance Status Report

			ADULT	WELFARE	DISLOCATED	YOUTH
ACTUALS	1. Number of Terminees					
	2. Number Entered Employment					
	3. Number Returned/Remained in School					
	4. Employability Enhancements					
	5. Positive Terminations					
	6. Average Wage at Placement					
	7. Total Expenditures					
	8. Adjusted F/U Employment Rate					
	9. Adjusted F/U Weekly Earnings					
	10. Postprogram Response Rate					
INDICATORS	Entered Employment Rate					
	Cost Per Entered Employment					
	Cost Per Positive Termination					
STANDARDS	Follow-Up Employment Rate	Actual Performance				
		Expected Performance				
		% of Standard				
	Follow-Up Weekly Earnings	Actual Performance				
		Expected Performance				
		% of Standard				
	Entered Employment Rate	Actual Performance				
		Expected Performance				
		% of Standard				
	Employability Enhancement Rate	Actual Performance				
		Expected Performance				
		% of Standard				

Baseline Program Review

Baseline program review helps identify probable causes of poor performance through a comprehensive review of program outcomes and client characteristics. It begins the process of narrowing down the specific areas which influence performance by gathering data on program and subcontractor performance.

The process begins with a review of total enrollments, terminations and expenditures. Worksheet 2 provides a suggested format for this review. This will give you a general idea of whether the program is progressing as planned. Deviations from plan in the areas of total served, youth service levels, total terminations and expenditures could have a dramatic impact on actual performance.

The next two steps in the baseline program review process involve a detailed analysis of actual performance: first by target groups and then by programs or contractors. Worksheets 3, 4 and 5 will enable an SDA to analyze, by performance standard, Title IIA adult, welfare and youth and Title III outcomes by terminee characteristics. Worksheets 6, 7 and 8 will enable an SDA to analyze, by performance standard, adult, youth and dislocated worker outcomes by program or contractor. Taken together, these reports will, in most cases, help isolate problem areas and provide a starting point for corrective action. This information will be useful when you are planning new strategies to improve performance since you will know what programs work best for what groups. They will also assist in designing new follow-up strategies.

Although the type of analysis that can be done using Worksheets 3 through 8 can be very useful in pinpointing problem areas, SDAs are cautioned not to apply the SDA's overall expected performance levels to all programs and contractors or to specific target groups.

Programs must be looked at in the context of varying client needs and service strategies. For example, if an SDA has an average adult follow-up employment rate of 65% and average follow-up weekly earnings of $225, the SDA might be tempted to identify programs and target groups performing below this level as "problem areas." But, upon closer review, such programs may be exceeding model-based performance expectations based on the characteristics of the participants who terminated and the type of training being provided. Similarly, a program serving dropouts with an employability enhancement rate of 30% may not necessarily reduce overall performance.

Not all activities will produce outcomes consistent with the overall expected performance levels established for an SDA — some will produce higher results and some lower. The challenge is to construct a job training system that, in total, exceeds overall established performance levels.

Analysis of Enrollments, Terminations and Expenditures

TITLE IIA	12 MONTH PLANNED	% OF TOTAL	PLANNED	% OF TOTAL	ACTUAL	% OF TOTAL	% OF PLANNED FOR PERIOD
Enrollments (Total)							
Adult							
Youth							
Terminations (Total)							
Adult							
Youth							
Expenditures (Total)							
Adult							
Youth							
Title III							
Enrollments							
Terminations							
Expenditures							

WORKSHEET 2

Report Period: _____

Performance of Terminees by Characteristic—Adult & Welfare (Title IIA)

CHARACTERISTIC	ACTUAL TERMINEES		ACTUAL PERFORMANCE						
			ENTERED EMPL RATE		AVERAGE WAGE			FOLLOW-UP	
	NUMBER	PERCENT	CURRENT	3 MONTHS EARLIER	CURRENT	3 MONTHS EARLIER	FOLLOW-UP EMPLYMT RATE	AVERAGE WAGE	WEEKLY EARNINGS
Male									
Female									
Age 30-54									
Age 55+									
White									
Black									
Other Minority									
Dropout									
Handicapped									
Reading <7th Grade									
UC Claimaint									
Unemployed 15+ Weeks									
Not in Labor Force									
AFDC									
Long-Term AFDC									
GA/RCA									
Total									
Total Welfare									
Other (Optional)									

WORKSHEET 3

Report Period: _____

Performance of Terminees by Characteristic—Youth (Title IIA)

CHARACTERISTIC	ACTUAL TERMINEES		ACTUAL PERFORMANCE	
	NUMBER	PERCENT	ENTERED EMPLOYMENT RATE	EMPLOYABILITY ENHANCEMENT RATE
Male				
Female				
Age 14-15				
Age 16-21				
White				
Black				
Other Minority				
Dropout				
Student				
Post High School Attendee				
Offender				
Reading <7th Grade				
Not in labor Force				
Total				
Other (Optional)				

WORKSHEET 4

Report Period: _____

Performance of Terminees by Characteristic—Dislocated Worker (Title III)

CHARACTERISTIC	ACTUAL TERMINEES		ACTUAL PERFORMANCE	
	NUMBER	PERCENT	ENTERED EMPLOYMENT RATE	AVERAGE WAGE AT PLACEMENT
Male				
Female				
Age 29 and under				
Age 30-54				
Age 55+				
White				
All Minorities				
Handicapped				
Less than High School				
Post High School Attendee				
UC Claimant				
Unemployed 15+ Weeks				

WORKSHEET 5

Report Period: _____

Analysis of Programs/Contractors—Adult

PROGRAMS/CONTRACTS	PERFORMANCE DATA		POST PROGRAM FOLLOW-UP	
	ENTERED EMPLOYMENT RATE	AVERAGE WAGE AT PLACEMENT	FOLLOW-UP EMPLOYMENT RATE	FOLLOW-UP AVG. WEEKLY EARNINGS
Occupational Training 1. 2. 3. 4. 5. 6.				
Total Occupational Training				
Other Classroom Training 1. Job Finding Skills				
2. Remedial Programs A. B.				
3. Special Programs A. B. C.				
OJT				
Other				
Total All Programs				

WORKSHEET 6

Report Period: _____

Analysis of Programs/Contractors—Youth

PROGRAMS/CONTRACTS	PERFORMANCE DATA	
	ENTERED EMPLOYMENT RATE	EMPLOYABILITY ENHANCEMENT RATE
Occupational Training 1. 2. 3. 4. 5. 6.		
Total Occupational Training		
Other Classroom Training 1. Job Finding Skills		
2. Remedial Programs A. B.		
3. Special Programs A. B. C.		
OJT		
Other		
Total All Programs		

WORKSHEET 7

Report Period: _____

Analysis of Programs/Contractors—Dislocated

PROGRAMS/CONTRACTS	PERFORMANCE DATA	
	ENTERED EMPLOYMENT RATE	AVERAGE WAGE AT PLACEMENT
Occupational Training 1. 2. 3. 4. 5. 6.		
Total Occupational Training		
Other Classroom Training 1. Job Finding Skills		
2. Remedial Programs A. B.		
3. Special Programs A. B. C.		
OJT		
Other		
Total All Programs		

WORKSHEET 8

Report Period: _____

While analysis of the performance of specific program activities and subcontractors and the outcomes for specific client groups can be guided to a certain extent by the DOL model, DOL warns that a strict application of the model is these instances would be inappropriate.

Trend Comparison and Analysis

Once you have calculated your current level of performance and completed your baseline program review, you may want to conclude your overall performance analysis by examining performance trends and by comparing current performance with past SDA performance. In order to complete both the comparison and trend steps, you will need the following information:

1. Prior year's performance standards (where available)
2. Performance reports (available from this section)
3. Planned performance goals contained in the Job Training Plan or as adjusted based on actual performance.

Trend Analysis

Trend analysis allows the SDA to visualize, on a regular basis, performance variations over a longer period of time. With this type of analysis, PIC members and SDA staff will easily be able to determine the direction in which the program is going. They can then take corrective action when a downward trend becomes apparent rather than waiting for performance to fall hopelessly below the standard.

Performance may fluctuate at monthly or quarterly review points for legitimate reasons. Fluctuations may have a number of explanations: early terminations from a classroom training program are often negative; there may be funding delays; some programs coincide with the conventional school year. Trend analysis may help to pinpoint a problem area. It may indicate, for example, that your particular SDA has developed a trend of decreasing follow-up employment rates for a six month period. These trends would then be considered in analyzing SDA performance.

Use Worksheets 9, 10 and 11 to maintain an ongoing record of trends for each of the performance standards groups—adult, welfare, youth and dislocated workers. Worksheet 12 can be used to track each standard on a yearly or more frequent basis and compare it with performance in previous years.

The approach and reports detailed in this section complete the first level of performance review and should provide sufficient information for SDAs to determine priority areas for further investigation and improvement. This baseline data should be carefully reviewed with local policy makers and professional staff. Section III: Strategies for Improving Performance describes steps that can be taken to improve performance—first the Oversight Response which helps pinpoint reasons for poor performance, the Planning Response which helps

identify new strategies for improved results, and the follow-up response which looks at possible postprogram issues. In almost all cases, an SDA will be involved in some combination of the Oversight Response, the Planning Response, and the Follow-Up Response.

WORKSHEET 9

Report Period: _____

Adult & Welfare Trend Analysis

Complete the bottom portion of the worksheet and graph the quarterly/monthly trends in performance standards.

% OF STANDARD	PERIOD ENDING / / /	PERIOD ENDING / / /	PERIOD ENDING / / /	PERIOD ENDING / / /
150%				
140%				
130%				
120%				
110%				
100%				
90%				
80%				
70%				
60%				
50%				
40%				

PERFORMANCE STANDARDS	LEGEND	% OF STANDARD			
Adult (F/U) Employment Rate	———				
Adult (F/U) Weekly Earnings	———				
Welfare (F/U) Employment Rate	— —				
Welfare (F/U) Weekly Earnings	— —				

WORKSHEET 10

Report Period: _____

Youth Trend Analysis

Complete the bottom portion of the worksheet and graph the quarterly/monthly trends in performance standards.

% OF STANDARD	PERIOD ENDING / / /	PERIOD ENDING / / /	PERIOD ENDING / / /	PERIOD ENDING / / /
150%				
140%				
130%				
120%				
110%				
100%				
90%				
80%				
70%				
60%				
50%				
40%				
PERFORMANCE STANDARDS LEGEND	**% OF STANDARD**			
Entered Employment Rate _____				
Employability Enhancement _ _ _				

WORKSHEET 11

Report Period: _____

Dislocated Worker Trend Analysis

Complete the bottom portion of the worksheet and graph the quarterly/monthly trends in performance standards.

% OF STANDARD	PERIOD ENDING / / /	PERIOD ENDING / / /	PERIOD ENDING / / /	PERIOD ENDING / / /
150%				
140%				
130%				
120%				
110%				
100%				
90%				
80%				
70%				
60%				
50%				
40%				
PERFORMANCE STANDARDS **LEGEND**	**% OF STANDARD**			
Entered Employment Rate _____				
Employability Enhancement _ _ _				

WORKSHEET 12

Report Period: _____

Trend Analysis by Standard

Select performance standard, complete the bottom portion of worksheet and graph the results

Performance Standard _____

% OF STANDARD	PERIOD ENDING / / /	PERIOD ENDING / / /	PERIOD ENDING / / /	PERIOD ENDING / / /
150%				
140%				
130%				
120%				
110%				
100%				
90%				
80%				
70%				
60%				
50%				
40%				
PY 88 Legend _____ EP				
AP				
%				
PY 89 Legend — — — EP				
AP				
%				
PY 90 Legend ▬ ▬ ▬ EP				
AP				
%				

Section III: Strategies for Improving Performance

As noted throughout this Guide, the U.S. Department of Labor has significantly revised the Federal performance standards for Program Year 90. The Department is now attempting to measure the longer-term success of those enrolled in JTPA. The objective of the changes in the performance standards is to send a clear message to the JTPA system that resources and effort should be focused on those individuals with multiple barriers to employment and those program components which benefit participants in the long-run. This policy direction is consistent with the recommendations made by the Job Training Partnership Act Advisory Committee in its Working Capital reports and also supports the Congressional intent in establishing JTPA.

A second trend in evidence both in the Working Capital reports and in some of the language of the performance standards concerns coordination with related systems to expand and increase the effectiveness of service delivery and improve outcomes. JTPA is no longer seen as a "stand-alone" system and increasingly exists within the context of a larger "workforce readiness" system in a local area.

For SDAs that need to or want to improve performance, there are several approaches to take. The "Oversight Response" helps pinpoint the factors in your existing programs, systems and relationships with other agencies which may be causing performance problems. The "Planning Response" helps identify new strategies for improving performance. The "Follow-up Response" looks at possible postprogram issues and activities. All of these should be viewed as ways of validating or modifying the key policies established by the PIC and elected officials.

Oversight Response

By conducting the baseline review and trend analysis, an SDA will be able to identify programs, contractors or target groups which seem to be less successful. The next step is to understand why performance may not be meeting expectations. The "Oversight Response" provides the SDA with a diagnostic tool to review and identify the factors that contribute to poor performance.

In order for JTPA to function effectively at the local level, a complex and interrelated set of program and administrative systems must be in place. These systems and procedures cover a broad range, including areas such as participant assessment, job development, contracting, MIS, supportive services, and classroom training. These systems are operated either directly by the administrative entity or, in some cases, subcontracted to local service providers.

These basic elements are classified in the following three categories:

JTPA Services and Programs — This is the most critical component of the employment and training system and includes the following activities: outreach, eligibility determination, assessment, employability counseling, supportive services (including needs-based payments), job development, classroom training, on-the-job training, try-out employment, work experience, and other special programs.

Administrative and Management Systems — The quality and effectiveness of JTPA programs and services are directly determined by the basic management and administrative systems which shape and support them. The most critical elements here include: planning (including youth competencies), organizational structure and staffing, fiscal management, MIS, contracting, and monitoring.

Organizational Roles and Relationships — JTPA allows wide latitude in determining the roles and relationships formed both within local SDAs and with other agencies involved in workforce readiness programs, such as Employment Service, Welfare Department (through JOBS and other programs) and the various Education agencies. The scope and nature of these roles can have a profound influence on the quality and cost of the programs and services provided under JTPA. The critical areas here include: responsibilities of grant recipient and administrative entity, planning responsibilities, cooperative relationships with the other agencies involved in workforce readiness, and leveraging of non-JTPA funds.

The Performance Status Reports, Baseline Program Review Reports, and Trend and Comparison Analysis Reports detailed in Section II can provide you with an abundance of data which offer specific "access points" to program areas, contractors, or activities with performance problems. Large scale deviations from a given performance standard should be viewed by management as a flag of a possible problem. However, the performance standards model cannot tell the program manager exactly what the problem is.

For example, suppose an SDA's follow-up employment rate is substantially below the standard. The manager would first identify both target groups and programs or contractors which deviate significantly from the standard. This could be determined from the baseline program review conducted in Section II. The manager would then consider whether this deviation is reasonable or not. If it is an occupational training program, what point in the training cycle does this represent? Does this represent a significant "drop-out" rate from the program? Because there is generally a high correlation between the follow-up employment rate and the entered employment rate, it is worth looking at the entered employment rate from both 3 months

earlier and the current period, to see whether the problem was caused at the planning level, the contracting level or if there is a problem with cost. Thus, a review could be conducted of the planning and contracting systems of the SDA and the fiscal system of the specific programs or contractors. It is important to look at the entered employment rate and average wage at placement for the current period so that problems are identified as quickly as possible. This simplified example does not address many important factors, but it does illustrate the type of branching analysis that can pinpoint the cause of performance problems.

Some SDAs may opt for a total review of all the suggested systems in order to maximize performance rather than confine the review to programs identified as having problems in the baseline review. By conducting a complete review of all systems, the SDA has an opportunity to approach performance improvement in a more comprehensive manner, allowing for, in most cases, a one-time alignment of these primary systems.

SDAs should use the Oversight Response Summary to identify the program, administrative, and organizational systems that may be causing poor performance. Since all systems may affect performance standards to some extent, SDAs should be familiar with the interrelationship of the standards and concentrate their reviews on the primary problems.

Once an SDA has determined which systems should be examined further, it should refer to the Systems Summaries which provide guidance on both the areas to be reviewed and the method of review. Finally, appropriate corrective action plans should be formulated and implemented.

Oversight Response Summary

JTPA SERVICES AND PROGRAMS	MOST LIKELY TO INFLUENCE ENTERED EMPLOYMENT RATE, FOLLOW-UP EMPLOYMENT RATE AND EMPLOYABILITY ENHANCEMENT RATE	MOST LIKELY TO INFLUENCE FOLLOW-UP WEEKLY EARNINGS AND AVERAGE WAGE AT PLACEMENT
Services Eligibility Determination Assessment Counseling Needs-Based Payment System Supportive Service System Job Development/Placement	Initial outreach and assessment (offering client most appropriate training) directly affect dropout rate. Ongoing counseling, needs-based payment and other supportive services affect retention. Job development is critical to the entered employment and follow-up employment rates.	Job development/placement most directly affects these standards.
Programs Skill/Vocational Training Basic/Remedial Education Special Targeted Programs Work Experience OJT Youth Competency System	The quality of training and its appropriateness to trainees directly affect these standards. The Youth Competency System will affect the Youth Standards.	The design and quality of the training and OJT affect the earnings of completers.
Administration and Management Systems Planning (including Youth Competency System) Organization/Staffing Fiscal MIS Contracting Monitoring	Planning in demand occupations is essential. Quality of youth competency system could have a major impact on employability enhancement rate. Accurate fiscal and MIS systems as well as clear contracts are required to demonstrate performance. Monitoring is essential to uncover problems on a timely basis.	Problems may occur at the planning or contracting stage.
Organizational Roles and Relationships PIC-LEO Agreement Employment Service Agreement Coordination with: Welfare Education Economic Development Unemployment Insurance	Coordination with welfare agencies is critical to the welfare standards. Coordination with education agencies is necessary for the employability enhancement rate.	Relationships with the Employment Service, Economic Development Agencies and other job placement/creation agencies will affect these standards.

SYSTEMS SUMMARIES

PROGRAMS AND SERVICES

1. OUTREACH

AREAS TO BE REVIEWED

Organization and staffing
Subrecipients' responsibilities
Linkages with community agencies serving targeted groups
Coordination with welfare and education agencies
Specific outreach goals by target group and geographic area
Outreach process—use of media, written material, personal contact

METHOD OF REVIEW

Examine organization charts, mission and function statements
Review outreach goals by target group
Interview staff
Review sources of referrals
Track characteristics of applicants, enrollees and terminees

2. ELIGIBILITY DETERMINATION/SELECTION

AREAS TO BE REVIEWED

Intake/eligibility process
Staff/subrecipient coordinating agency responsibilities
Length of time from application to enrollment
Characteristics of eligibles compared to those enrolled
Existence of specific goals

METHOD OF REVIEW

Review the eligibility system as described in JTPA
Examine application/eligibility determination process
Analyze characteristics of eligibles not enrolled
Review intake forms for completeness and accuracy

3. ASSESSMENT

AREAS TO BE REVIEWED

Design of assessment
Administration of assessment
Staffing and organization
Quality of assessment
Use of assessment data
EDP development

METHOD OF REVIEW

Review assessment procedures and tools
Sample assessment files
Sample employability development plans
Review skills and characteristics of successful completers
Interview staff and participants

4. COUNSELING

AREAS TO BE REVIEWED

Organization and staffing

Procedures for counseling throughout the JTPA system and through related systems

Use of the EDP as an ongoing tool

Use of case management

METHOD OF REVIEW

Interview staff of JTPA and related agencies, if appropriate

Interview clients

Review client folders for progress reports and identification of needs/action plans

Determine caseload trends

5. NEEDS-BASED PAYMENT SYSTEM

AREAS TO BE REVIEWED

Methodology for needs-based payment determination

Consistency of such payments for different target groups and activities

Effect of payments and services on dropout rates and enrollment trends

METHOD OF REVIEW

Review written procedures

Track dropout rates and underenrollment trends

6. SUPPORTIVE SERVICE SYSTEM

AREAS TO BE REVIEWED

Adequacy of other supportive services provided directly or through agreement with other agencies: child care, medical, transportation

Method of identifying need for and arranging for these services

METHOD OF REVIEW

Review written procedures

Interview staff

Interview clients

Interview service agencies

7. JOB DEVELOPMENT/PLACEMENT

AREAS TO BE REVIEWED

Organization and staffing

Subrecipient responsibility

Performance-based contract usage

Coordination of job development with employment and economic development agencies

Marketing plan and implementation

METHOD OF REVIEW

Interview job development and placement staff

Review job orders and placement documentation

Track specific vocational training activities with poor wage rates

Review coordination agreements with Employment Service and Economic Development
Contact local employers

8. SKILL/VOCATIONAL TRAINING

AREAS TO BE REVIEWED

Organization and structure of the course
Instructional materials
Staffing
Instructor's flexibility and responsiveness
Frequency and accuracy of trainee assessment
Entered employment rate and wage at placement for trainees in courses

METHOD OF REVIEW

Review course curriculum
Conduct site visits
Interview instructor and trainees
Review reports from training providers
Discuss appropriateness of curriculum with local employers

9. BASIC/REMEDIAL EDUCATION

AREAS TO BE REVIEWED

Organization and structure of the course
Instructional materials
Staffing
Instructor's flexibility and responsiveness
Frequency and accuracy of trainee assessment
Completion by trainees of major levels of education

METHOD OF REVIEW

Review course curriculum
Conduct site visits
Interview instructor and trainees
Review reports from training providers

10. SPECIAL TARGETED PROGRAMS

AREAS TO BE REVIEWED

Ability of targeted programs to increase participation of the "hard to serve"
Services and support provided to "hard to serve" populations

METHOD OF REVIEW

Perform a desktop review of each targeted program
Review enrollments, positive terminations and placement data
Compare enrollee profile to SDA goals for target groups

11. WORK EXPERIENCE (YOUTH EXEMPLARY PROGRAMS)

AREAS TO BE REVIEWED

Organization and staffing
Characteristics of clients served in this category
Quality of training experience

METHOD OF REVIEW

Review work experience agreements
Conduct site visits
Interview SDA staff responsible for monitoring worksites
Interview participants
Review timesheets
Review progress reports

12. OJT

AREAS TO BE REVIEWED

Organization and staffing
Written procedures describing specific responsibilities
Linkages with other job development activity at subrecipient level
Procedures for marketing
OJT contract development

METHOD OF REVIEW

Review criteria used to develop and approve OJT contracts
Review of OJT contracts
Conduct site visits
Review completion rates

13. YOUTH COMPETENCY SYSTEM

AREAS TO BE REVIEWED

Design of Youth Competency System
Organization and staffing
Characteristics of clients served by Youth Competency System
Quality of Youth Competency System

METHOD OF REVIEW

Review Youth Competency System and method of documentation
Observe classes
Review completion rates

14. PLANNING

AREAS TO BE REVIEWED

Organization and staffing
Plan preparation
PIC involvement
Planning process (including Youth Competency System)
Procedures for tracking performance of subcontractors
Procedures for collecting and distributing ongoing performance information

METHOD OF REVIEW

Review written procedures
Interview staff
Review program evaluations
Review PIC input through interviews or review of minutes
Examine youth competency system procedures and monitor implementation

15. ORGANIZATION AND STAFFING

AREAS TO BE REVIEWED

Number and functions of staff
Lines of authority
Formal and informal methods of exchanging information
Staff training and development efforts
Ratios of service staff to client population

METHOD OF REVIEW

Review organizational charts and job descriptions
Interview staff to validate lines of authority and information exchange procedures
Examine the reasonableness of agency departments of units
Analyze ratios of staff to clients for program and service systems

16. FISCAL

AREAS TO BE REVIEWED

Staffing and procedures
Budgeting procedures and cost categories
Accrual system, report preparation and distribution
Subrecipient reporting system
Timeliness of reports

METHOD OF REVIEW

Review back-up of total JTPA budget and subrecipient budgets
Interview staff, review and validate monthly reports, accruals and report distribution

17. MIS

AREAS TO BE REVIEWED

Organization and staffing
Data collection
Expertise of MIS staff
Distribution of reports and validation process

METHOD OF REVIEW

Review written procedures
Validate written procedures and definitions through interviews with staff
Track sample reports to source documents

18. CONTRACTING

AREAS TO BE REVIEWED

Organization and staffing
Soliciting proposals, evaluating proposals
Negotiating contracts, modifying contracts
Evaluating contracts
Staff expertise in federal, state, and local procurement regulations
Clarity of request for proposals
Specificity of contract goals and objectives

METHOD OF REVIEW

Review written procedures
Interview staff
Track RFP process through contract execution and modification
Review use of performance contracts

19. MONITORING

AREAS TO BE REVIEWED

Organization and staffing
Monitoring procedures
Frequency and depth of monitoring and evaluation
Process for report distribution and corrective action
Utilization of evaluation results in planning and contract modification

METHOD OF REVIEW

Review written procedures
Interview staff and determine the level and frequency of monitoring
Track reports through corrective action process
Determine the extent to which evaluations are used in the planning process

ORGANIZATION AND COORDINATION

20. PIC-LEO AGREEMENT

AREAS TO BE REVIEWED

Clarity of roles and responsibilities
Procedures for developing job training plan
Level of involvement in policy guidance and oversight

METHOD OF REVIEW

Review written agreement
Interview PIC members
Review PIC meeting minutes

21. EMPLOYMENT SERVICE

AREAS TO BE REVIEWED

SDA/Employment Service coordination agreement
Staffing and organization
Information exchange
Client flow

METHOD OF REVIEW

Review written agreement
Interview Job Service and SDA staff
Track number and results of referrals

22. WELFARE

AREAS TO BE REVIEWED

SDA/Welfare agreement
Welfare recipient participation rates
Information exchange and referrals
Plan for JOBS implementation in local area

METHOD OF REVIEW

Review SDA/Welfare agreement
Review written procedures
Interview staff of public assistance agencies and SDA
Track numbers and results of referrals
Review JOBS plan

23. EDUCATION

AREAS TO BE REVIEWED

Coordination to define at risk youth and satisfactory progress
Information exchange and referrals

METHOD OF REVIEW

Review correspondence or written agreements
Interview appropriate education staff
Track numbers and results of referrals

24. ECONOMIC DEVELOPMENT

AREAS TO BE REVIEWED

Cooperative SDA/Economic Development agreements
Procedures used to share local economic development and labor market information
Information exchange:
— Listing of companies planning to relocate to the SDA
— Listing of companies anticipating expansion within the SDA
— Listing of planned or actual plant closings or reductions in force within the SDA

METHOD OF REVIEW

Review written agreements
Interview staff of economic development agencies and SDA
Track results of any cooperative projects

25. UNEMPLOYMENT INSURANCE

AREAS TO BE REVIEWED

Coordination agreement with the local Unemployment Insurance office
Procedures for timely information exchange and referral of UI claimants

METHOD OF REVIEW

Review written procedures
Interview appropriate UI and SDA staff
Analyze number and results of UI referrals

Summary of Oversight Response Approach

Step 1: Identify specific performance measures needing improvement through Performance Status Report.

Step 2: Identify programs, contractors, or problems with target groups which may be causing poor performance by using Worksheets 4, 5, 6, 7, 8 and 9. Make allowances for varying client needs and service strategies.

Step 3: Identify probable systems causing poor performance either within the program or contractor or throughout the entire program using the Oversight Response Summary.

Step 4: Use the Systems Summaries to conduct a review of each area identified above.

Step 5: Design, implement, and follow up on corrective action recommendations.

Planning Response

In addition to correcting deficiencies identified through the "Oversight Response," most SDAs engage in what is termed the "Planning (or Replanning) Response". After examining the results, they rethink key policy decisions and initiate new policies in such critical areas as:

- **Who will be served?**

JTPA funds are limited. SDAs must decide which groups of individuals will receive priority within JTPA and how JTPA will work with other workforce readiness programs which serve similar populations. Individuals who are enrolled in another program may still be retained in JTPA as well.

- **What services and programs will be provided?**

Taking into account the characteristics of the people who will be served and the availability of other training and remedial programs and services in the local area, SDAs determine the mix of programs and services that will be offered with JTPA funding and how financial resources will be allocated.

- **What arrangements should be negotiated with non-JTPA service providers?**

Increasingly, agencies are working together so that the programs and services offered complement each other in such a way that the client receives the optimal combination of services. This could range from having existing education agencies provide remedial education while JTPA provides occupational training to having social service agencies provide childcare or health services which are needed to make a client truly employable.

• What will be acceptable performance standards?
In addition to the minimum standards established by DOL and the governor, SDAs may develop additional performance guidelines or request waivers of state standards when appropriate.

The performance standards system, while establishing accountability for such policy and planning decisions, does not usurp this important local policy making role. In fact, one of the strengths of the performance standards system is that it does not reward or penalize SDAs for these types of policy choices, but simply holds them accountable for achieving performance standards which reflect those choices. SDAs which allow performance standards to "drive" the decisions in these key areas rather than consciously establishing policies will quickly get lost in a maze of variables and formulas at the expense of quality programs.

Local policy makers should, however, have a clear understanding of the mechanics of the performance standards system so that they can be aware of the performance-related implications of their decisions. The following list shows that 22 adjustment variables which affect the computation of an SDA's expected performance are directly influenced by the SDA's policy making and planning decisions in the areas noted above.

Adjustment Variables

Influenced by SDA
Who is Served

1. Female
2. Age 14-15
3. Age 29 and under
4. Age 30-54
5. Age 55+
6. Student
7. Dropout
8. Less than High School
9. Post High School Attendee
10. Reading below 7th grade level
11. Black
12. Other minority
13. All minorities
14. Offender
15. Unemployed 15+ weeks
16. Not in labor force
17. Handicapped
18. Unemployment compensation claimant
19. AFDC recipient
20. Long-term AFDC recipient
21. GA/RCA recipient
22. Previous Wage

Not Influenced by SDA

1. Unemployment rate
2. Percent of families below the poverty level
3. Annual earnings in retail/wholesale trade
4. Population density
5. Employee/resident worker ratio
6. Three year growth rate in real annual earnings in retail/ wholesale trade
7. Employment in manufacturing, mining and agriculture

Moreover, as can be seen on the "Effect of Changing Variables on Performance Standards" chart, SDAs can determine precisely what impact each of the variables will have on their expected performance. The variables across from each of the performance standards are listed in order of their significance. For example, the variable which most significantly decreases the adult follow-up employment rate is the annual earnings in retail and wholesale trade. The next most influential variable for decreasing this standard is the unemployment rate. Of those that can be influenced by the SDA, the most influential on this standard is the percent of dropouts.

Effect of Changing Variables on Performance Standards—PY90

(Listed in order of significance of impact)

	PERFORMANCE STANDARD	RAISES STANDARDS IF INCREASED	LOWERS STANDARDS IF INCREASED
ADULT	Employment Rate—At Follow-Up	1. Three Year Growth Rate	1. Annual Earnings R/W Trade 2. Unemployment Rate 3. Employment Mfg. Mng. Agr. 4. Dropout 5. Not in Labor Force 6. GA/RCA Recipient 7. Long Term AFDC 8. Black 9. Unemployed 15 Weeks or + 10. AFDC Recipient 11. Other Minority 12. Reading Below 7th Grade
	Weekly Earnings—At Follow-Up	1. Population Density 2. Annual Earninings R/W Trade 3. Three Year Growth Rate 4. UC Claimant 5. 30-54 Years Old	1. Family Below Poverty Level 2. Unemployment Rate 3. Handicapped 4. Female 5. Age 55 and Above 6. Dropout 7. Black 8. Empl/Res Worker Ratio 9. Unemployed 15 Weeks or +
ADULT WELFARE	Employment Rate—At Follow-Up	1. Three Year Growth Rate	1. Annual Earnings R/W Trade 2. Unemployment Rate 3. Employment Mfg. Mng. Agr. 4. Dropout 5. GA/RCA Recipient 6. Female 7. Black 8. Not in Labor Force 9. Other Minority 10. Unemployed 15 Weeks or + 11. Long Term AFDC
	Weekly Earnings At Follow-Up	1. Annual Earnings R/W 2. Population Density 3. Three Year Growth Rate 4. Post H.S. Attendee	1. Family Below Poverty Level 2. Female 3. Dropout 4. Age 30 and Above 5. Black 6. Reading Below 7th Grade 7. Empl/Res Worker ratio

Effect of Changing Variables on Performance Standards—PY90

(Listed in order of significance of impact)

	PERFORMANCE STANDARD	RAISES STANDARDS IF INCREASED	LOWERS STANDARDS IF INCREASED
YOUTH	Entered Employment Rate	1. Post H.S. Attendee 2. Three Year Growth Rate	1. Unemployment Rate 2. 14-15 Years Old 3. Dropout 4. Offender 5. Student 6. Reading Below 7th Grade 7. Not in Labor Force 8. Black
	Employability Enhancement Rate	1. Unemployment Rate 2. Student 3. Not in Labor Force	
DISLOCATED	Entered Employment Rate	1. UC Claimant 2. Post H.S. Attendee	1. Unemployment Rate 2. Family Below Poverty Level 3. Age 55 or Older 4. All Minorities 5. Dropout 6. Handicapped 7. Female 8. Unemployed 15 Weeks or +
	Average Wage at Placement	1. Previous Wage 2. Annual Earning R/W Trade 3. Three Year Growth Rate 4. Post H.S. Attendee	1. Female 2. Age 55 or Older 3. Unemployed 15 Weeks or + 4. Handicapped 5. Age 29 and Under 6. UC Claimant 7. Dropout 8. All Minorities

It is important to note that the impact of specific variations on the overall standard is not, in most cases, substantial. The cumulative effect, however, can significantly change the local SDA standards.

Familiarity with the dynamics of the performance standards system will enable SDA staff to examine how local factors are shaping current expected performance and to determine what effect program modifications would have on future expected performance levels. By following the "examining impact" instructions on the next page and using Worksheets 13, 14, 15 and 16, an SDA can identify the extent to which each factor is increasing or decreasing its expected performance levels. Users should also compare local values with extreme factor values detailed in Section G of the Department of Labor's Training and Employment Information Notice No. 30-89, dated May 29, 1990.

The value of this exercise is in understanding how local factors have shaped current expected performance levels, not in determining the extent to which the SDA has deviated from the national averages.

Once an SDA has completed the type of analysis recommended in this guide, it may consider changes in program design or emphasis for the balance of the program year. The Baseline Program Review conducted in Section II provides valuable information for this replanning effort. Obviously any new program emphasis should be based on what has worked best, for what groups, and at what cost. By following the "dry run" instructions on the next page and using Worksheets 13, 14, 15 and 16, SDAs will be able to determine precisely what effect these various policy and planning options would have on their expected performance levels.

Follow-up Response

For the first time, JTPA programs for adults are being measured based on what happens after these adults leave JTPA. This calls for program operators to look, for the first time perhaps, at such factors as:

- What causes people to remain or not remain employed?
- How does a participant's experience in JTPA relate to what happens afterwards?

Although there has been found to be a high correlation between the entered employment rate and the follow-up employment rate, the fact remains that some people remain employed while others do not; some people get jobs on their own after termination. Although follow-up data is required, it is not required for 100% of terminees, or even employed terminees, nor is a breakdown by program or target group required. In addition, follow-up is only required at the 13-week point. Some studies have found that employment status at the 13-week point correlates well with longer-term employment, but this may or may not

be the case for particular individuals or groups. In short, in order to find out more about why people are and are not employed after participation in JTPA, it may be necessary to either collect more follow-up data or conduct special surveys or studies periodically. It may be useful to obtain information from both the former participants and their employers from time to time.

Information should be collected so that the SDA can be knowledgeable about what factors seem to lead to continued employment and what factors seem to be correlated with individuals leaving or being let go from their jobs. These factors may include:

- the wage or salary itself
- wage or salary increases, after how much time
- the hours of work (e.g. day, night, shift-work)
- fringe benefits, especially health benefits
- ease of getting to and from work (transportation)
- quality of supervision received on the job
- success of childcare arrangements
- health of the individual
- housing problems
- other personal problems/situations
- feeling of being appreciated
- preparation for the job, in terms of skill
- suitability of the work environment

The information must be analyzed to see if there are trends or if there are particular employers that seem to be more and less successful with former participants. Depending on the information, the SDA may want to change some of its programs or services, institute new programs or services or even begin to provide or arrange for services to employers. These additional services can range from an earlier follow-up with individuals, for example a 4-week follow-up, to assistance to employers in training them in supervisory techniques.

PY 90 Performance Standards Worksheet—Adult

Variables	National Percent	Actual Terms	Percent of Terms	Standards Calculations (Actual - National x Weight)			
Total Terms				Follow-Up Employment Rate		Follow-Up Weekly Earnings	
Female	57.1			----		-.470	
Age 30 to 54	52.0			----		+.509	
Age 55+	3.5			----		+.468	
Black	24.6			-.091		-.310	
Other Minority	11.7			-.041		----	
Dropout	25.2			-.137		-.355	
Reading < 7th Gr	27.0			-.033		----	
Handicapped	10.9			----		-.562	
UC Claimant	7.9			----		+.894	
Unempl 15+	46.9			-.081		-.053	
Not in Lbr Force	15.7			-.125		----	
Long Term AFDC	10.0			-.094		----	
AFDC	25.7			-.058		----	
GA/RCA	5.0			-.111		----	
Unemp Rate	5.9			-.377		-.933	
Annual Earn R/W	13.5			-.392		+3.078	
Pop Density	.71			----		+3.139	
Emp/Res Ratio	98.1			----		-.231	
Fam Below Pov	9.7			----		-.954	
3 Yr Growth Rate	1.1			+.208		+1.718	
Emp Mfg/Mng/Agr	23.4			-.146		----	
	Net Effect of Variables						
	National Departure Point				62.0		204.00
	Local Expected Performance						

WORKSHEET 13

PY 90 Performance Standards Worksheet—Welfare

Variables	National Percent	Actual Terms	Percent of Terms	Standards Calculations (Actual - National x Weight)			
Total Terms				Employment Rate		Weekly Earnings	
Female	79.5			-.089		-.642	
Age 30+	50.6			----		-.374	
Black	32.5			-.089		-.315	
Other Minority	10.8			-.051		----	
Dropout	29.4			-.112		-.380	
Post H.S.	20.4			----		+.308	
Reading < 7th Gr	30.0			----		-2.33	
Long Term AFDC	33.0			-.028		----	
GA/RCA	12.9			-.092		----	
Unempl 15+	56.8			-.044		----	
Not in Lbr Force	22.8			-.086		----	
Unemp Rate	5.9			-.547		----	
Annual Earn R/W	13.5			-.754		+3.646	
Pop Density	.71			----		+3.265	
Fam Below Pov	9.7			----		-.773	
3 Yr Growth Rate	1.1			+.347		+1.786	
Emp Mfg/Mng/Agr	23.4			-.262		----	
Emp/Res Ratio	98.1			----		-.195	
	Net Effect of Variables						
	National Departure Point				51.0		182.00
	Local Expected Performance						

WORKSHEET 14

PY 90 Performance Standards Worksheet—Youth

Variables	National Percent	Actual Terms	Percent of Terms	Standards Calculations (Actual - National x Weight)			
Total Terms				Entered Employment Rate		Emp. Enhancement Rate	
Age 14 to 15	9.1			-.516		----	
Black	27.6			-.032		----	
Dropout	25.8			-.155		----	
Student	44.0			-.113		+.281	
Post H.S.	5.8			+.369		----	
Reading < 7th Gr	34.0			-.103		----	
Offender	6.6			-.131		----	
Not in Lbr Force	44.3			-.078		+.095	
Unemp Rate	5.9			-1.069		+.887	
3 Yr Growth Rate	1.1			+.316		----	
	Net Effect of Variables						
	National Departure Point				45.0		33.0
	Local Expected Performance						

PY 90 Performance Standards Worksheet—Dislocated

Variables	National Percent	Actual Terms	Percent of Terms	Standards Calculations (Actual - National x Weight)			
Total Terms				Employment Rate		Wage at Placement	
Female	40.0			-.019		-.0101	
Age 29 and under	23.0			----		-.0050	
Age 55+	8.0			-.110		-.0079	
All Minorities	29.0			-.078		-.0028	
Dropout	16.0			-.078		-.0038	
Post H.S.	31.0			+.033		+.0051	
Handicapped	3.0			-.052		-.0072	
UC Claimant	47.0			+.035		-.0040	
Unemp 15+	42.0			-.018		-.0076	
Previous Wage	8.6			----		+.5034	
Unemp Rate	5.9			-2.564		----	
Fam Below Pov	9.7			-.405		----	
Annual Earn R/W	13.5			----		+.1279	
3 Yr Growth Rate	1.1			----		+.0300	
	Net Effect of Variables						
	National Departure Point				64.0		
	Local Expected Performance						

WORKSHEET 16

Section IV: Conclusion

Clearly, the Performance Standards system has evolved over the last eight years. The performance measures and standards currently in use reflect the recommendations made in two important reports, both issued in 1989.

The first study, "Evaluation of the Effects of JTPA Performance Standards on Clients, Services and Costs" was conducted by the National Commission for Employment Policy. The study concluded that federal and state policies related to performance standards have both intended and unintended effects on client mix and level of service. The study recommended certain revisions to eliminate the unintended effects of these policies. Overall, the study found the impact of the standards to be positive, and consistent with congressional intent.

The second report, "Working Capital: JTPA Investments for the 90's", was issued by the JTPA Advisory Committee. The report recommended significant revisions to the performance standards system, many of which have been made for PY 90. These include the elimination of cost standards and the reduction in the number of standards.

What does the future hold? The policy directions for JTPA certainly involve:

- Targeting those most at risk. Information is now being collected on the number of individuals who lack a significant work history, who are homeless, and who have multiple barriers to employment. In addition, Governors may not use cost standards as a basis for making incentive awards.
- An emphasis on training investments that will have an impact in the long run. The standards for adults involve only follow-up measures. Employability enhancements for youth are equal in status to job placements. Information will be collected on the number of weeks in training.
- Promoting skill attainment. New information will be reported for adults and youth on achievement of a major level of education and attainment of basic education and occupational skills. Dropout prevention is recognized as a valid outcome for youth. Several of the employability enhancements for youth include length of participation requirements as a means of validating the enhancement.
- Fostering coordination. The JTPA system must work with the education system to define "at-risk" youth and "satisfactory progress" in school. Participants can remain enrolled in JTPA while enrolled in non-JTPA-funded training.

While the focus and mechanics of the performance standards system will change, performance management will continue as an integral part of public job training policy.

Performance standards are not "the" solution to effective JTPA planning and management but rather one of several tools available to administrators to improve performance. The challenge to local policy makers is to use performance standards to guide the development of programs which will meet the needs of the eligible population and business community.

In order to work effectively with performance standards, an SDA must have a clear vision of its role in the community. The key policy issues related to who is served, with what types of JTPA programs and services, in conjunction with what other agencies, are important building blocks in establishing the foundation for planning and management decisions. Since the performance standards model adjusts an SDA's standards according to who is served, the degree of difficulty in meeting the standards should be the same, regardless of who is served. For local policy makers who fail to establish this foundation, performance standards can become a "numbers game" unrelated to the mission and purpose of JTPA in a community. With a proper foundation, performance standards can assist policy makers and program operators to have an effective program.

NATIONAL ALLIANCE OF BUSINESS
1201 New York Avenue, N.W.
Suite 700
Washington, D.C. 20005
202/289-2910

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